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SUBJECT: BARRIO ADENTRO IN CRISIS: CHAVEZ TO STRENGTHEN
FLAGSHIP MEDICAL PROGRAM IN ADVANCE OF ELECTIONS

REF: CARACAS 442

Classified By: Economic Counselor Darnall Steuart for reasons 1.4
(b) and (d).

¶1. (C) SUMMARY: In response to growing public criticism of Venezuela's health care system, including a well-publicized letter of protest from five former health ministers, the Government of the Bolivarian Republic of Venezuela (GBRV) has intensified efforts to revitalize Barrio Adentro, its flagship medical services program for the poor. On October 3, after acknowledging a "crisis" in health care, President Chavez announced that the GBRV would "strengthen" Barrio Adentro with an infusion of over 1,000 Cuban and Venezuelan doctors. Plagued by mismanagement, corruption, and inefficiency, Barrio Adentro nevertheless has improved access to medical services for some of Venezuela's poor, albeit without eliminating or even alleviating long-term problems in the health care system. Barrio Adentro has translated into political gains for President Chavez in past elections, and despite its failings, public approval for the program remains close to 60 percent. Health experts believe that Chavez is strengthening the program in anticipation of legislative elections in 2010. END SUMMARY.

CHAVEZ RESPONDS TO CRITICISM

¶2. (SBU) On September 19, in a televised press conference, President Chavez said that 2000 Barrio Adentro health centers had closed and declared a "crisis" in the Venezuelan health care system. During a session of the National Assembly on September 29, leaders of Chavez's own United Socialist Party of Venezuela (PSUV) joined the public criticism of the health care system, calling the management of the system in the Chavista governorships corrupt and incompetent.

¶3. (SBU) On October 2, following an announcement that a new wave of 1,111 Cuban and 213 Venezuelan doctors were coming to revitalize Barrio Adentro, five ex-health ministers sent a widely published letter of protest to President Chavez criticizing the GBRV for allowing Venezuela's health care infrastructure to deteriorate and for ceding control of the medical system to the Cuban government. "Never before has so much money been spent in such a disorganized, uncontrollable, and nontransparent way, and never before have the results and health indicators been so poor," they wrote.

14. (SBU) In response to this letter and growing public criticism of the health care system, on October 3 Chavez declared that the "Cuban-Venezuelan" health model had not failed and that the GBRV was "reviewing and strengthening" Barrio Adentro. But in the same national television broadcast, President Chavez cited statistics that tacitly acknowledged Barrio Adentro's deterioration: Chavez said that 2,149 modules (or fifty percent of the entire program) had been abandoned, 1,199 operated only part-time (28 percent), and just 950 operated 24 hours a day (22 percent). (Note: This sum of 4,298 Barrio Adentro modules contradicts the numbers President Chavez presented during the broadcast of "Hello, President" on May 3, when he said that the government had inaugurated 3,606 modules. End note.)

CUBANS DON'T COME CHEAP AND DON'T STAY LONG

15. (C) In a meeting with the Venezuelan Medical Federation on October 5, President Douglas Leon Natera (protect throughout) told EmbOffs that the Ministry of Health was in a state of "anarchy" and that the GBRV had wasted billions of dollars by developing Barrio Adentro as a parallel medical system. According to Natera, investment in Barrio Adentro had siphoned off resources from Venezuela's conventional medical network and accelerated its decline (septel). Natera cited a recent estimate by a University of Pittsburgh economist that the GBRV spent approximately USD 5.6 billion on Cuban medical assistance, training, medicines, vaccines, equipment, and other services in 2008. (Note: It is difficult to estimate the exact cost of Cuban medical assistance, both because GBRV statistics are unreliable and because medical

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assistance is also provided in exchange for oil and petroleum products. End Note.)

16. (C) Natera noted that the Cuban doctors working in Barrio Adentro are not certified to practice medicine in Venezuela and often have not completed the medical training required under Venezuelan law. Natera claimed that there were 28,000 Cuban medical professionals in Venezuela (Note: Unverifiable. End Note.), but that most were engaged in political proselytizing rather than providing medical care. From August 2006 to April 2009, Embassy Caracas received 739 applications for asylum from Cuban medical personnel working in Venezuela (reftel). In consular interviews, Cuban medical personnel complain that they work long hours in social programs with low pay, inadequate and obsolete medical supplies, and under the close observation and surveillance of their coworkers.

BARRIO ADENTRO HAS LITTLE MEDICAL IMPACT

17. (C) In a October 9 meeting with the Research Coordinator for the Center for Development Studies (CENDES), Jorge Diaz Polanco (protect throughout) told EmbOffs that Barrio Adentro has had "no health effect at all," despite billions of dollars of GBRV investment. Polanco said that maternal mortality and infant mortality have actually increased since the program was founded in 2003. Citing a study conducted by the European Union in 2006, Polanco said that poor Venezuelans are more likely to use private clinics or public hospitals than Barrio Adentro. Consequently, private clinics and public hospitals are congested and less effective. In a September 20 study by the Venezuelan polling firm Datanalisis, 64 percent of respondents said that the efficiency of Barrio Adentro had diminished; the same study found that popular approval had fallen from 70 percent to 57.5 percent.

18. (C) Barrio Adentro's statistical impact on health outcomes is difficult to measure. Medical experts said that the

Ministry of Health does not release statistics regularly and the health data it does release is often unreliable. A look at the infant mortality rate, one widely used health indicator, shows some improvement in this area since Barrio Adentro's inception in 2003 (notwithstanding Polanco's comment above), but the extent to which Barrio Adentro is responsible is unclear.

Infant Mortality Rate

Source: CIA World Factbook

Year	Infant Mortality Rate (per 1000 live births)	Percent Change
2003	23.79	
2004	22.2	-6.68
2005	22.2	0
2006	21.54	-2.97
2007	22.52	4.55
2008	22.02	-2.22
2009	21.54 (est.)	

----- BUT AN IMPORTANT POLITICAL EFFECT -----

¶9. (C) Many health care experts have emphasized the personal and political, rather than medical, effects of Barrio Adentro. Dr. Marino Gonzalez (protect throughout), a professor of public policy at Universidad Simon Bolivar, told EmbOffs on October 15 that while Barrio Adentro has not improved health outcomes, it has had an important emotional impact that has translated into political gains for President Chavez. Before Barrio Adentro, the residents of many poor neighborhoods had limited access to health care: a trip to the doctor might require a long trek from the barrios down the mountainside, an especially dangerous journey if leaving home at night with a child or elderly relative. The Barrio Adentro program sent doctors to live with the residents of these isolated and underserved neighborhoods, and even if the doctors were not the most professionally capable, they were

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able to attend to common medical problems, dispense aspirin, and provide psychological reassurance that boosted Barrio residents' morale and Chavez's popularity.

¶10. (C) Gonzalez and Polanco both noted an association between the location of Barrio Adentro clinics and voting patterns in the 2004 presidential election. (Note: Chavez himself has claimed that the social missions, including Barrio Adentro, were responsible for his victory in the 2004 election. End Note.) "Chavez is focusing on this issue now because of the elections," Gonzalez said, asserting that Chavez recognizes the importance of health care in the 2010 legislative elections. But even with a renewed effort to revitalize Barrio Adentro, Gonzalez does not think that the GBRV can reform the public health care system in the long run because Chavez is "too ideological."

¶11. (C) In addition to its domestic political benefits, Barrio Adentro is often touted as one of Chavez's most effective international public relations campaigns. Polanco said that the program has been "used internally for external purposes," by showcasing the Bolivarian Revolution's advances in health care to an international audience. Chavez continues to insist that advances have been made in health care and that major problems have been fixed. "No one can deny the advances we have made in health care," Chavez said on October 13.

----- COMMENT -----

¶12. (C) While Barrio Adentro may not have succeeQd in

improving health outcomes, it has had a positive impact on the daily lives of barrio residents that seems to have translated into political gains for President Chavez in past elections. Even though many clinics have been abandoned, as the GBRV has publicly admitted, Barrio Adentro remains a symbol of President Chavez's concern for the welfare of the poor, and has contributed to a popular feeling that Chavez governs for them. Renewed GBRV attention, and an infusion of over 1,000 new Cuban doctors, may initiate a resurgence of Barrio Adentro that could influence voters in the 2010 legislative elections. This will be even more likely if the opposition fails to develop a better proposal to address these public needs.

DUDDY